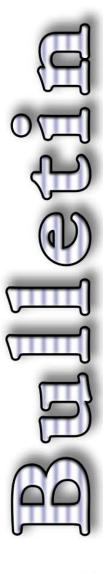
Utah State Tax Commission 210 North 1950 West Salt Lake City, Utah 84134 www.tax.utah.gov





Tax Bulletin 20-07

Effective Date: Jan. 1, 2008

Re: Sales Tax Changes

New Rates Effective Jan. 1, 2008

- The state portion of the combined sales tax rate will be reduced to 4.65 percent.
- The statewide tax on food and food ingredients will be reduced to 3.0 percent. This includes the state rate of 1.75 percent, local option rate of 1.0 percent, and county option rate of 0.25 percent.
- Emery, Kane and Millard Counties will impose County Option Tax at 0.25 percent.
- Utah County will increase its County Option Tax for Highways, Fixed Guideways or Systems for Public Transit to a rate of 0.3 percent.
- The new jurisdiction of Bryce Canyon (Garfield County) will impose the Local Option Tax at a rate of 1.0 percent, and the Resort Communities Tax at a rate of 1.1 percent.
- All jurisdictions that impose the Highways Tax will increase the rate to 0.3 percent.
- Park City, Park City East and Midway City will increase the Resort Communities
 Tax rate to 1.1 percent. Moab and Springdale will increase the rate to 1.6 percent.
- Several jurisdictions that currently impose the Mass Transit Tax will increase the rate to 0.3 percent.

For these changes and all other current rates, see the sales tax rate charts online at tax.utah.gov/sales/rates.html.

New Forms

TC-62 Forms — Sales tax forms will change from the TC-61 series to the TC-62 series. For periods beginning Jan. 1, 2008, file sales and use tax on the new TC-62 series of forms. See the new forms online at **tax.utah.gov/forms/finals/release.html**.

Continue using the TC-61 forms for 2007 filing periods.

If you submit substitute forms, your forms must exactly match the TC-62 series of forms and be approved by the Tax Commission prior to filing your 2008 returns. For more information, see Publication 99-ST, *Guidelines for Substitute and Copied Utah Sales Tax Forms*.

TC-721G — Claim exemptions for governmental purchases using form TC-721G, Exemption Certificate for Governments & Schools. Continue to use form TC-721, Exemption Certificate, to claim exemptions for non-governmental purchases.

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New Account Numbers and Licenses

In March 2008, the Tax Commission will issue new sales tax account numbers and licenses to all active sales tax accounts. You must use your new number on all returns and correspondence from that point forward.

The new sales tax account numbers will be 14 characters: eight digits (hyphen), three digits (hyphen), and three alpha characters (e.g., 12345678-123-ABC).

Your new sales tax account number will be issued automatically. You do not need to apply for a new number. You do not need to update existing exemption certificates (form TC-721) with your new number.

Legislation Effective Jan. 1, 2008

Mining Exemption — Purchases of machinery and equipment and normal operating repair or replacement parts having an economic life of three years or more used in qualifying mining, support and research and development activities will be exempt from sales tax. To qualify for the exemption, the mining and support activities must be described in:

- NAICS subsection 212, Mining (except Oil and Gas),
- NAICS Code 213113, Support Activities for Coal Mining,
- NAICS Code 213114, Support Activities for Metal Mining, or
- NAICS Code 213115, Support Activities for Nonmetallic Minerals (except Fuels) Mining.

Dental Prosthetic Exemption — Purchases of dental prosthetic devices will be exempt from sales tax. These devices replace a missing tooth (for example, a bridge, denture, implant or crown that replaces at least 75 percent of the tooth structure).

QUESTIONS...

E-mail: taxmaster@utah.gov

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> Changes in Utah laws or Tax Commission rules may supersede this Tax Bulletin. For the most current guidance relating to state and local taxation, including local sales tax rates, visit the Tax Commission's Internet website at tax.utah.gov.